

AMENDING THE DISTRICT OF COLUMBIA SELF-GOV-
ERNMENT AND GOVERNMENTAL REORGANIZATION ACT

MAY 15 (legislative day, MAY 14), 1984.—Ordered to be printed

Mr. MATHIAS, from the Committee on Governmental Affairs,
submitted the following

REPORT

[To accompany H.R. 3547]

The Committee on Governmental Affairs, to which was referred the bill (H.R. 3547) to amend the District of Columbia Self-Government and Governmental Reorganization Act to extend the authority of the Mayor to accept certain interim loans from the United States and to extend the authority of the Secretary of the Treasury to make such loans, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

I. PURPOSE OF THE BILL

The purpose of the bill, H.R. 3547, is to provide the District of Columbia Government with continued interim authority to borrow funds from the U.S. Treasury for capital improvement projects for which funding is appropriated in the fiscal year 1984, or until the date of the enactment of the Appropriation Act for the fiscal year ending September 30, 1984, whichever is later. The bill is an extension of current law, and budget authority for this extension is included in current law.

II. BACKGROUND AND NEED FOR THE LEGISLATION

The authority of the District of Columbia to borrow funds from the U.S. Treasury is not new. It predates the Home Rule Act. When Congress passed the District of Columbia Self-Government and Governmental Reorganization Act (87 Stat. 774, D.C. Code, Title 1, Sec. 201), it authorized the District to finance its capital improvement projects by borrowing funds on the open market through the issuance of tax-exempt general obligation bonds. The Act terminated, effective Janu-

ary 2, 1975, the permanent authority of the District to borrow funds from the Treasury to finance capital improvement projects; however, it provided a 2-year interim loan authority which allowed the District to continue borrowing from the United States Treasury to finance capital improvement projects for which funds had been authorized or appropriated prior to January 2, 1975. Congress provided the interim borrowing authority to prevent undue disruption in the District's capital improvement programs during the transition from U.S. Treasury borrowing to entry into the municipal bond market.

Because of unexpected delays in the development and implementation of the District's bonding program, a 2-year extension of the interim borrowing authority was approved by the Congress in 1977 (Public Law 95-131, October 13, 1977). In 1979, the Congress approved a second extension, authorizing U.S. Treasury loans to finance capital improvement projects approved in the 1980 and 1981 Appropriations Acts (Public Law 96-160, December 28, 1979). In 1981, the Congress approved a third extension, authorizing United States Treasury loans to finance capital improvement projects approved in the 1982 and 1983 Appropriations Acts (Public Law 97-40, August 14, 1981). Each extension was necessary to avoid the undue harm that an abrupt halt to the city's capital improvement program would cause. Each extension was granted after it became clear to Congress and the city that, while substantial progress in entering the municipal bond market was being made, that entry would be unavoidably delayed. That delay will continue at least through fiscal year 1984, necessitating the approval of the current legislation.

The committee expects that the long term capital projects borrowing authority will not have to be extended beyond fiscal year 1984, as contemplated by H.R. 3547. However, the city's efforts to enter the bond market have been hampered by the Supreme Court's decision in *INS v. Chadha*, 103 S.Ct. 2764 (1983). Successful entry into the bond market necessitates correcting the Home Rule Act in light of *Chadha*. The committee is currently considering such legislation. Should an arrangement not be reached on the best method for correcting the Home Rule Act in this regard, however, it may become necessary to further extend the authority of the Mayor to borrow from the U.S. Treasury to fund the District's capital improvement program.

III. LEGISLATIVE HISTORY

H.R. 3547 passed the House of Representatives on July 25, 1983, and was referred to the Senate Committee on Governmental Affairs' Subcommittee on Governmental Efficiency and the District of Columbia. The bill was polled out of the subcommittee on March 27, 1984, by a vote of 5 to 0 and was favorably reported to the full committee. On April 9, 1984, the committee ordered the bill favorably reported without amendment to the Senate by a vote of 15 to 0.

IV. COMMITTEE VOTE

In compliance with paragraph 7(c) of rule XXVI of the Standing Rules of the Senate, the vote of the committee on this legislation was as follows:

Final passage: Ordered reported, 15 yeas; 0 nays.

YEAS (15)

NAYS (0)

Percy
Stevens
Mathias
Cohen
Durenberger
Rudman
Danforth
Cochran
Eagleton
Glenn
Sasser
Levin
Bingaman
Pryor
Roth

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of Rule XXVI of the Standing Rules of the Senate, the committee has considered the regulatory and paperwork impact of H.R. 3547, as well as the impact of the bill on personal privacy.

H.R. 3547 is not a regulatory bill. It does not affect directly private individuals or businesses. The economic impact of regulation on such individuals and businesses, likewise, is not changed by any provision of H.R. 3547. The bill will neither increase paperwork for the private sector, nor have any impact on the personal privacy of any individuals.

VI. CBO ESTIMATED COST

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 11, 1984.

HON. WILLIAM V. ROTH, Jr.,
*Chairman, Committee on Governmental Affairs, U.S. Senate, Dirksen
Senate Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 3547, a bill to amend the District of Columbia Self-Government and Government Reorganization Act to extend the authority of the Mayor to accept certain interim loans from the United States and to extend the authority of the Secretary of the Treasury to make such loans, as ordered reported by the Senate Committee on Governmental Affairs, April 9, 1984.

The bill extends the authority of the District of Columbia to borrow funds from the Treasury for capital improvement projects for which funding is authorized or appropriated as of the date of enactment of the 1984 appropriations act for the District of Columbia. That act (Public Law 98-125) provided \$115 million for such loans, and the bill would affirm the District's authority to receive the loans. Enactment of this legislation is not expected to have any additional impact on federal, state or local budgets.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

ERIC HANUSHER
(For Rudolph G. Penner, Director).

VII. CHANGES MADE IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman) :

SECTION 723 OF THE DISTRICT OF COLUMBIA SELF-GOVERNMENT AND GOVERNMENTAL REORGANIZATION ACT

INTERIM LOAN AUTHORITY

SEC. 723. (a) The Mayor is authorized to accept loans for the District from the Treasury of the United States and the Secretary is authorized to lend to the Mayor such sums as the Mayor may determine are required to complete capital projects for which construction and construction services funds have been authorized or appropriated, as the case may be, by Congress prior to [October 1, 1982, or the date of enactment of the Appropriation Act for the fiscal year ending September 30, 1983 for the District of Columbia Government, whichever is later] *October 1, 1983, or the date of enactment of the Appropriation Act for the fiscal year ending September 30, 1984, for the Government of the District of Columbia, whichever is later.* In addition, such loans may include funds to pay the District's share of the cost of the adopted regional system specified in the National Capital Transportation Act of 1969.

